FINAL REPORT

Integrated Health Care Models and Multi-payer Delivery Systems Study Committee

February 2014

MEMBERS:

Senator Amanda Ragan, Co-chairperson
Senator Jake Chapman
Senator Jack Hatch
Senator Janet Petersen
Senator Mark Segebart

Representative Linda Miller, Co-chairperson
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AUTHORIZATION AND APPOINTMENT

The Integrated Health Care Models and Multi-payer Delivery Systems Study Committee was established by the Legislative Council for the 2013 legislative interim and authorized for two meeting days. The committee's charge was to review and make recommendations for the formation and operation of integrated care models in Iowa; review integrated care models adopted in other states that integrate both clinical services and nonclinical community and social supports utilizing patient-centered medical homes and community care teams; recommend the best means of incorporating into integrated care models nonprofit and public providers that care for vulnerable populations; review and make recommendations regarding development and implementation of a statewide medical home infrastructure to act as the foundation for integrated care models; review opportunities under the federal Affordable Care Act for development of integrated care models; address consumer protection, governance, performance standards, data reporting, health information exchange, patient attribution, and regulation issues relative to integrated care models; and perform other duties specified in the legislation. In addition, the committee is to serve as a legislative advisory council on multi-payer health care delivery systems to guide the development by the Department of Human Services of Iowa's design model and implementation plan for the State Innovation Models (SIM) Initiative Grant awarded by the Centers for Medicare and Medicaid of the United States Department of Health and Human Services. The study committee may request that legislative leaders authorize supplementing the study committee membership to ensure there is a comprehensive review process and adequate stakeholder participation.

I. Procedural Business

The committee met on Tuesday, November 19, and Wednesday, November 20, 2013, in Room 103 of the State Capitol to receive testimony from a variety of experts, interested parties, and stakeholders.

II. Evolution of the Health Care Delivery System

Mary Takach, Senior Program Director, National Academy for State Health Policy (NASHP), provided an overview of pathways to integrated health care delivery systems utilizing patient-centered medical homes, team-based care, accountable care organizations (ACOs) and accountable communities, and focusing on population health and multi-payer financing. Peter Damiano, DDS, Director, Public Policy Center; Director, Health Policy Research Program; and Professor, Preventive and Community Dentistry, University of Iowa, discussed the drivers of health care reform, which are cost, access to care, and quality, and the evolution of the health care system from an acute care system to a community integrated system that focuses on population health and social determinants of health. Christopher Atchison, Clinical Professor, Department of Health Management and Policy; Director, University of Iowa Hygienic Laboratory; and Associate Dean for Public Health Practice, University of Iowa, College of Public Health, discussed health reforms in Iowa over the decades, all focusing on cost, quality, and access, and the goal of promoting the optimal health status of both individuals and populations.

III. Medical Homes

Ms. Takach discussed the qualification standards for patient-centered medical homes and variations from state to state. Qualification standards provide assurance to payers and patients and can be standardized to meet delivery system goals. Tom Evans, MD, President and CEO, Iowa Healthcare Collaborative, and chairperson of the Prevention and Chronic Care Management/Medical Home Advisory Council, discussed the progress and accomplishments of the advisory council and noted that the council has voted to change its name to the Patient-centered Health Advisory Council to more accurately reflect its work. Bery Engebretsen, MD, Primary Health Care, Inc., and David Carlyle, MD, McFarland Clinic, discussed how a medical home operates in practice in a federally qualified health center and in a private practice. Jennifer Vermeer, Iowa Medicaid Director, Department of Human Services (DHS), discussed the two types of medical homes being utilized by the Medicaid program: chronic condition health homes and integrated health homes.

IV. Accountable Care Organizations

Ms. Takach provided an overview of state roles in supporting ACOs including utilization of a strong primary care foundation, implementation of ACOs by various payers and the need for multi-payer ACOs, state-legislated certification of and accountability for ACOs, incorporation of public health and utilization of team-based care to provide linkages to community services, and the need for robust health information technology.

Representatives of commercial and Medicare Shared Savings Program ACOs provided overviews of their ACOs, including those established by UnityPoint Health and the University of Iowa Health Alliance which includes Mercy Health Network, University of Iowa Health Care, and Genesis Health System. Lessons learned include the need for change in the culture of health care delivery to focus on quality and accountability, the need for connections and integration with the community, and the importance of utilizing patient-centered primary care and care coordination as a basis for care delivery. A representative of the Trinity Pioneer ACO also provided an overview of the Pioneer ACO which is a model specified under the Affordable Care Act for health care organizations and providers that are already experienced in coordinating care for patients across settings and will move more quickly toward a population-based payment model.

V. Community Engagement

Chris Espersen, Director of Quality, Primary Health Care, Inc., discussed the importance of integrating social determinants of health into the health care system. Only 10 percent of health status is determined by traditional medical services while the majority of health status is determined by social determinants including genetics, the environment, and behaviors. Transformation of the health care system must consider social determinants of health to improve health care as well as to lower costs. Through recognition of the factors that influence an individual's health and provision of care coordination and appropriate supports, individuals can realize sustained improvements in health outcomes.

Julie McMahon, Iowa Public Health Association, discussed why public health is an essential partner in an integrated health care delivery system. Public health focuses on population health and prevention which will result in shifting the cost curve by preventing more Iowans from developing chronic conditions in the first place. Public health brings a knowledge of the community and population, population-based services and the prevention of chronic disease, experience with care coordination, and knowledge of personal health services that prevent and delay hospitalization and long-term care. Peggy Stecklein, former community health coordinator, Dallas County Public Health, discussed their health navigator program which provides a resource for individuals to address social determinants of health through integration of existing community resources.

Kala Shipley, Community Transformation Grant Project, Department of Public Health (DPH), described the project, which is funded through a grant from the federal Centers for Disease Control and Prevention. The Iowa project focuses on tobacco-free living, active living, healthy eating, clinical and community prevention services, and safe and healthy physical environments. The project has been implemented in 25 counties, has established partnerships with local boards of health, and coordinates with state and local partners.

Jon Durbin, Bureau of Communication and Planning, DPH, discussed the potential collaboration between public health and hospitals in utilizing community health needs assessments, community health improvement plans, and community health benefits planning to identify community needs and to craft strategies and long-term partnerships in statewide health planning.

Ted Boesen, CEO, and Sarah Dixon Gale, Senior Program Director of Emerging Programs, Iowa Primary Care Association, discussed the opportunities for integrating safety net providers and their patients into a comprehensive, community-based integrated health delivery system. They also discussed the community care coordination grant made available through a FY 2013-2014 appropriation from the general fund of the state as an opportunity to develop regional community care coordination entities across Iowa to coordinate care for high-risk patients and to support primary care providers. Two communities were awarded grants on November 15, 2013.

VI. Addressing Unique Populations in an Integrated System

Danielle Oswald-Thole and Mary Nelle Trefz, Child and Family Policy Center; Vickie Miene, Executive Director, Center for Child Health Improvement and Innovations, Division of Community and Child Health, Department of Pediatrics, University of Iowa Carver College of Medicine; and George Estle, CEO, Tanager Place, discussed the unique needs of children in an integrated system. Rick Shults, Division Administrator, Division of Mental Health and Disability Services, DHS; Donna Harvey, Director, Iowa Department on Aging; and Bob Russell, DDS, State Public Health Dental Director and Bureau Chief, Bureau of Oral and Health Delivery Systems, DPH; discussed the unique populations and conditions of behavioral health, older Iowans, and dental health, respectively, in an integrated system. J.D. Polk, D.O., Dean, College of Osteopathic Medicine, Des Moines University, discussed workforce strategies in an integrated health system.

VII. Health Information Technology and Data Analytics

Kim Norby, state Health Information Technology (HIT) Coordinator and Executive Director, Iowa e-Health, formed by DPH, discussed the three main services of the Iowa HIT which consist of directed exchange, query-based exchange, and a state reporting exchange, and the importance of data exchange and quality measurement. Meghan Harris, Iowa Public Health Tracking Coordinator, DPH, provided an overview of the Iowa public health tracking program and the importance of the collection, integration, analysis, interpretation, and dissemination of population health data in an integrated health system. Herb Filmore, Vice President, Strategic Innovation, Treo Solutions, discussed the importance of reliable, risk-adjusted data in buying value-based care. Data and analytics that incorporate population health are a key part of a more efficient system and social determinants of health data is the next wave in data collection and analytics. Dr. Evans discussed the use of data for research, comparison and accountability, and improvement. He noted that the health care community in Iowa is very engaged in collecting and utilizing data to make sense of individual and population health. Ms. Espersen provided an overview of the importance of health information technology and data analytics from a provider perspective. Data has helped Primary Health Care, Inc. to make substantial improvements in population health, and only data that is timely, accessible, actionable, comprehensive, and accurate can be used to improve population health and decrease the cost of care.

VIII. Role of Medicaid in the Integrated System

Ms. Vermeer provided an overview of the Iowa Health and Wellness Plan, which is Iowa's version of expansion of the Medicaid program to Iowans age 19-64 with incomes through 133 percent of the federal poverty level (FPL) (effectively 138 percent of the FPL with a 5 percent income

disregard). The Iowa Wellness Plan will cover those through 100 percent of the FPL and the Marketplace Choice Plan will cover those from 101 through 133 percent of the FPL. Ms. Vermeer, along with two of the State Innovation Models (SIM) Initiative workgroup chairpersons, Dr. Evans and Mr. Atchison, provided an overview of the SIM report including metrics and contracting, member health engagement, long-term care, and mental health and substance abuse. The state was awarded a SIM Design Award from the Centers for Medicare and Medicaid Services to develop a plan for multi-payer payment and health care delivery transformation.

IX. Investing in Quality

Ms. Takach provided an overview of utilizing payment to incentivize an integrated system. The basis of integrated care models begins with strong primary care. Practice training, data analytics, expanded care teams, patient engagement, and community linkages, including public health, are fundamental to success and provide great potential for meeting cost and quality targets in an integrated system. She noted that shifting the health care system will ultimately depend on integrating public health into the integrated system model.

Ms. Vermeer noted the importance of a multi-payer integrated system that is being developed through the SIM. ACOs participating under the SIM are expected to have an understanding of the needs of the Medicaid population and to develop strong relationships and collaborations with partners in their communities to enhance care coordination, reduce costs, ensure access, and change the overall health care system to one focused on outcomes.

Nick Gerhart, Commissioner of Insurance, noted the opportunities under the Affordable Care Act to focus on prevention; the need to focus on patient-centered medical homes to address fragmentation in the system; the fact that there is no one definition of an ACO; that insurance companies are important partners in ACOs; that reimbursement is starting to align with outcomes even outside of ACO arrangements; that the Insurance Division regulates entities when performance risk crosses the line to insurance risk; and that some issues for legislators to consider relative to ACOs and similar types of arrangements are those of physician referral, anti-kickback, and antitrust provisions.

Mike Fay, Vice President of Health Networks, Wellmark Blue Cross and Blue Shield, noted that insurers are not ACOs, but merely enable the provider organizations that constitute ACOs to function. Now that all of the major health systems in Iowa have formed ACOs, in the next few years there will be ACOs that are clinic-driven and physician-driven. Not every provider group has to constitute an ACO; there could be smaller-scale initiatives that focus on improving quality and managing cost without taking on risk.

David Lyons, founding director and CEO, CoOportunity Health, discussed the importance of measuring value through the consumer's eyes, noting that consumers want seamlessness between public and private payers. Today's health delivery model is focused on patient and population health. An important aspect to address is patient engagement in their own health care.

There are opportunities in increased coordination of care, the use of patient-centered medical homes, and payment alternatives.

X. Workforce and Delivery Strategies

Victoria Sharp, MD, Director, Carver (University of Iowa College of Medicine's) Rural Iowa Scholars Program (CRISP) provided information about CRISP, which is designed to attract, educate, and inspire future physicians to meet medical needs in rural areas of the state through mentorship, shadowing, field experience, clinical experience, electives, clerkships, and community orientation. In exchange for practicing in a rural area of Iowa for at least five years after completing residency in Iowa, the student receives $20,000 in January of their intern year and $16,000/year for five years of practice in Iowa. Currently, there are eight mentors and 89 students in the program.

Chris Cooper, MD, Associate Dean, Office of Student Affairs and Curriculum, University of Iowa Carver College of Medicine, discussed retaining medical students in Iowa and the need to focus on quality in training. Eric Tempelis, JD, MPA, Director of Government Relations, Gundersen Health System, and member, Iowa Rural Health Association Board of Directors, noted that ensuring that access is supported by the health care system includes moving from fee-for-service to value-based reimbursement through the Healthcare Quality Coalition, medical homes, and ACOs; promotion of interstate regulatory harmonization; inclusion of all clinics and hospitals in medical homes and ACOs; and improvement in telemedicine access.

Kari Prescott, Executive Director, Webster County Health Department, presented information about the community care team project grant awarded to Webster County as a means of improving access to care and improving population health through collaborative efforts that coordinate and mobilize health care and community resources, fill gaps in services without duplicating efforts, and open channels of communication between service providers. The community care team concept uses a tri-navigation system to wrap around the patient and provide navigation between the primary care provider, behavioral health, and public health/community.

XI. Areas for Additional Discussion

Members of the committee identified the following areas for additional discussion:

1. Data collection and sharing should be implemented in a way to ensure privacy protections.
2. Rural and small practices should be integrated into the system.
3. Public health has expertise with local populations, especially in promoting prevention and wellness, and this expertise should be utilized throughout the state.
4. Individuals that are high utilizers should be a focus and must have buy-in to participate in the system.
5. Pharmacy services should be a focus and pharmacists should be utilized more fully in the system.

6. Electronic medical records are very beneficial to coordinating an individual's care, especially during transitions.
7. Public health and the safety net are important components of the system, especially for those with cultural and social constraints. It is necessary to focus on social determinants of health in addition to clinical care.
8. Coordination of care is an essential component of an integrated system.
9. The focus should not only be on rural areas, but also on urban areas with high incidences of poor health.
10. With the shortage of physicians, other providers should be utilized in an integrated system to provide the services needed. There should be further review of how to integrate other professionals to provide care coordination and other elements of care.
11. Iowa needs to define medical homes, health homes, and ACOs to ensure accountability and outcomes.
12. There will be challenges with providers and patients who are not part of the integrated system.

XII. Materials Filed With the Legislative Services Agency

The following materials were distributed at or in connection with the meetings and are filed with the Legislative Services Agency. The materials may be accessed from the "Committee Documents" link on the committee's Internet site:

www.legis.iowa.gov/committees/meetings/documents?committee=19051&ga=ALL

1. Integrated Health Care Models and Multi-payer Delivery Systems Study Committee Briefing - Distributed by LSA Legal Services Division
2. Community Integrated Health - 3.0 A New Operating System for Public Health - Distributed by LSA Legal Services Division
3. U.S. Health Care Delivery Evolution diagrams - Distributed by LSA Legal Services Division
4. Health Care's Blind Side - Distributed by LSA Legal Services Division
5. Triple Aim diagram - Distributed by LSA Legal Services Division
6. The U.S. Health Care System and the Role for Integration - Peter Damiano, University of Iowa Public Policy Center
7. Health Reform in Iowa - Continuing Improvement - Comprehensive Strategies - Christopher Atchison, University of Iowa College of Public Health
8. Pathways to an Integrated System - Mary Takach, NASHP
9. Medical Home Standards - Mary Takach, NASHP

10. Prevention and Chronic Care Management/Medical Home Advisory Council - Tom Evans
11. Medicaid: Medical and Health Homes - Jennifer Vermeer, DHS
12. UnityPoint Health ACO - Aric Sharp
13. Genesis ACO - Ken Croken
14. Trinity Pioneer ACO - Pam Halvorson
15. Public Health Services Integration/Community Care Team - Kari Prescott, Webster Co. Public Health
16. Public Health in an Integrated System - Julie McMahon (IPHA)
17. Local Public Health - Health Navigation, Dallas Co. Public Health
18. DPH CHNA HIP Fact Sheet - Jon Durbin, DPH
19. DPH CTG Fact Sheet - Kala Shipley, DPH
20. DPH CTG PowerPoint - Kala Shipley, DPH
21. Safety Net Integration - IA Primary Care Assoc. (IPCA)
22. Safety Net - Policy Considerations (IPCA)
23. Integrated Services for Children - Child and Family Policy Center (CFPC)
24. Integrated Health for Children with Special Health Care Needs - U of I Center for Child Health Improvement & Innovation
25. Research Driven Integrated Health for Children - George Estle, Tanager Place
26. SIM Steering Committee - Final Report, DHS
27. SIM Steering Committee - Recommendations, DHS
28. SIM Metrics and Contracting Workgroup Report, DHS
29. SIM Long Term Care Integration Workgroup Report, DHS
30. SIM Behavioral Health Integration Workgroup Report, DHS
31. SIM Member Engagement Workgroup Report, DHS
32. Iowa Health and Wellness Plan - Jennifer Vermeer, DHS
33. SIM Summary - Jennifer Vermeer, DHS
34. Medicaid ACO Agreement, DHS
35. Paying for Value - Mike Fay, Wellmark Blue Cross and Blue Shield
36. CRISP - Victoria Sharp
37. Rural Health Delivery - Eric Tempelis, Gundersen Health System

38. Investing in Quality - Private Health Insurance Reforms - Nick Gerhart, Insurance Commissioner
39. 1st Five Evaluation Summary - CFPC
40. Community Transformation Grants Briefing - DPH
41. Using Data to Ensure Quality - Tom Evans
42. Iowa Health Information Network - DPH
43. Patient-centered Medical Home - David Carlyle
44. ACO - University of Iowa Health Care
45. Integrated Health Care for Children with Special Needs - U of I Center for Child Health Improvement and Innovation
46. ACO - Mercy Health Network
47. The Importance of Data and HIT in an Integrated System - Chris Espersen
48. Integrating Social Determinants of Health into an Integrated Health System - Chris Espersen
49. State Roles in Supporting ACOs - Mary Takach, NASHP
50. Value-based Reimbursement for Delivery System Reform - Mary Takach, NASHP
51. Patient-centered Medical Home Implementation - Mary Takach, NASHP
52. Health Information Technology Evolution - Christopher Atchison
53. Iowa Health Information Network - Update - DPH
54. Iowa Health Information Network presentation - Kim Norby, DPH
55. Data Resources for Public Health - Healthcare Integration - Meg Harris, DPH
56. Oral health and Alzheimer's Connection - DPH
57. Dental health - Bob Russell, DPH

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